

# **Exhibit N2**

Page 1

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

**EASTERN PROFIT CORPORATION LIMITED,,**  
**Plaintiff/Counterclaim Defendant,**

**Case No.** 18-cv-2185

v.

## **STRATEGIC VISION US, LLC,**

**Defendant/Counterclaim Plaintiff.**

10:00 a.m.

November 19, 2019

## 405 Lexington Avenue

## New York, New York

DEPOSITION of JOHN MICHAEL WALLER,  
testifying under Rule 30(b)(6) on behalf of  
STRATEGIC VISION US, LLC in the above entitled  
matter, pursuant to Notice, before Stephen J.  
Moore, a Registered Professional Reporter,  
Certified Realtime Reporter and Notary Public o  
the State of New York.

	Page 2	Page 4
1		1 MICHAEL WALLER
2 APPEARANCES:		2 THE VIDEOGRAPHER: Good morning.
3		3 We are recording and on the record at
4 GRAVES GARRETT LLC		4 9:09 a.m. on November 19, 2019.
5 Attorneys for Eastern Profit		5 Please note that the microphones
6 Corporation Limited		6 are sensitive and may pick up whispering,
7 1100 Main Street		7 private conversations and cellular
8 Kansas City, Missouri 64105		8 interference.
9		9 Please turn off all cell phones or
10 BY: EDWARD D. GREIM, ESQ.		10 place them away from the microphones, as
11 and		11 they can interfere with the deposition
12 JENNIFER DONNELLI, ESQ.		12 audio.
13		13 Recording will continue until all
14 PEPPER HAMILTON, LLP		14 parties agree to go off the record.
15 Attorneys for Strategic Vision US,		15 This is video 1 in the deposition
16 LLC		16 of Michael Waller, taken by counsel for
17 1313 N. Market Street 5100		17 the Plaintiff, in the matter of Eastern
18 Wilmington, Delaware 19899		18 Profit Corporation, Limited, versus
19		19 Strategic Vision US, LLC, filed in the
20 BY: JOANNA CLINE, ESQ.		20 U.S. District Court, Southern District of
21		21 New York, case number 18 CV 2185 JGP.
22 ALSO PRESENT:		22 This deposition is being held at
23 DANIEL PODHASKIE		23 405 Lexington Avenue, New York, New York.
24 YVETTE WANG		24 My name is George Libbares the
25		25 court reporter is Stephen Moore and we are
	Page 3	Page 5
1		1 MICHAEL WALLER
2 EXAMINATION BY	PAGE	2 here from Veritext New York.
3 MS. CLINE	5	3 Counsel will now state their
4 E X H I B I T S		4 appearances and the court reporter will
5 SV		5 administer the oath.
6 EXBT 101 Strategic Vision's amended	11 14	6 MS. CLINE: This is Johanna
7 Answer and counterclaims		7 Cline, Pepper Hamilton for Eastern
8 EXBT 102 List of names	55 25	8 Profit.
9 EXBT 103 Bank statement for	71 5	9 And just one clarification, today's
10 Georgetown Research for the		10 deposition is the deposition of Strategic
11 month of January, 2018		11 Vision, a 30(b)(6) deposition, and
12 EXBT 104 Invoice from Team 1 leader	75 21	12 Mr. Wallerer is Strategic Vision's first
13 to Georgetown Research for		13 deponent.
14 \$200,000		14 MR. GREIM: Eddie Greim and
15 EXBT 105 Invoice from Allied Special	105 5	15 Jennifer dONNELLI, Graves Garrett LLC
16 Operations Group from March		16 for Strategic Vision.
17 2018		17
18 EXBT 106 Handwritten notes	121 16	18 JOHN MICHAEL WALLER,
19 EXBT 107 Document Bates stamped SVUS	160 22	19 called as a witness, having been first
20 1961 through 65		20 duly sworn by the Notary Public, was
21 EXBT 108 Document Bates stamped 1966	160 22	21 examined and testified as follows:
22 through 1971		22
23 EXBT 109 Document Bates stamped 1972	160 22	23 EXAMINATION BY
24 through 1975		24 MS. CLINE:
25 EXBT 110 Document Bates stamped SVUS	164 8	25
1976 through 1990		

2 (Pages 2 - 5)

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<p style="text-align: right;">Page 26</p> <p>1           MICHAEL WALLER 2 attention to paragraph 18, so go ahead and read 3 that. 4       A    Okay. 5       Q    All right, let's just start with 6 sort of the first part of the first sentence 7 which says, "Guo represented to Strategic 8 Vision that he was a dissident." 9       Do you see that? 10      A    Yes. 11      Q    Where was that representation 12 made? 13      A    At his home at Sherry 14 Netherland. 15      Q    Do you remember on what date? 16      A    On the first time November 21, 17 2017. 18      Q    Was it made more than one time, 19 that representation? 20      A    Yes. 21      Q    So the first time was what did 22 you say, I'm sorry? 23      A    November 21, 2017. 24      Q    When was the next time it was 25 made?</p>	<p style="text-align: right;">Page 28</p> <p>1           MICHAEL WALLER 2       A    And it was French Wallop, Guo 3 Wengui and the third time I met him regardless 4 of the date, and Yvette Wang. 5       Q    And there was a fourth time? 6       A    Yes; it was later, it was around 7 January 26, 2018. 8       Q    Who was there? 9       A    It was French Wallop, Guo Wengui 10 and Yvette Wang. 11      Q    Is it Strategic Vision's 12 position that that statement, that Mr. Guo was 13 a dissident is a statement that Strategic 14 Vision relied upon in entering into the 15 research agreement at issue in this case? 16      A    We based our decision to work 17 with him on his profession that he was a 18 Chinese dissident against the Communist Party. 19      Q    So, was the notion that he was a 20 Chinese dissident important to Strategic 21 Vision? 22      A    Yes. 23      Q    But that notion isn't captured 24 in the research agreement itself, is it? 25      A    Of course it is.</p>
<p style="text-align: right;">Page 27</p> <p>1           MICHAEL WALLER 2       A    Also at his residence a couple 3 of weeks later in December. 4       Q    Those were the only two times 5 they were made? 6       A    No, they were all four times I 7 met him. 8       Q    Did you meet him all four times 9 at the Sherry? 10      A    Yes. 11      Q    Let's start with the first one, 12 November 21, who else was present? 13      A    French Wallop was present. 14 Lianchao Han was present and Guo Wengui was 15 present; that was all. 16      Q    When you met him in December 17 of -- we are talking 2017, who was present? 18      A    In the first meeting was the 19 same group, it was French Wallop, Lianchao Han, 20 Guo Wengui and myself. 21      Q    The third meeting, do you 22 remember when that was? 23      A    That would have been later in 24 the month. 25      Q    Who was present there?</p>	<p style="text-align: right;">Page 29</p> <p>1           MICHAEL WALLER 2       Q    Actually this one is already 3 marked, we will just call it Han 11. 4       Is Han 11 the research agreement 5 that's at issue in this case? 6       A    It appears to be. 7       Q    Could you show me where in Han 8 11 there is a representation that Mr. Guo is a 9 dissident? 10      A    Mr. Guo is not named in this 11 agreement, but Strategic Vision negotiated this 12 agreement with him personally and he was 13 explicit about using this project to promote 14 his dissident activities against the Chinese 15 Communist Party. 16      Q    Yes. So you told me a moment 17 ago, I asked you whether the notion that 18 Mr. Guo was a dissident was memorialized in the 19 agreement, and you said of course it is. 20      MR. GREIM: Objection, misstates 21 the last question and the witness' 22 answer. 23      Q    My question is -- let me ask it 24 again, the record reflects what you actually 25 said.</p>

8 (Pages 26 - 29)

<p style="text-align: right;">Page 34</p> <p>1 MICHAEL WALLER      2 Q And then the next thing you      3 mentioned was May of '17?      4 A Yes.      5 Q Then the third thing you      6 mentioned was August of 2017?      7 A August 26th.      8 Q Of 2017?      9 A Yes.      10 Q And the year's long vexatious      11 litigation campaign that you identify, when did      12 that start?      13 A It began in 2017.      14 Q Do you know when in 2017?      15 A No. Later 2017.      16 He followed up on his litigation      17 by suing the very people he had been denouncing      18 as people who must die the previous March 5th,      19 2017.      20 Q And the audio recording was      21 published where?      22 A It appeared on YouTube first.      23 Q And the statement that was made      24 in May of 2017, where was that published?      25 A It appeared on YouTube and later</p>	<p style="text-align: right;">Page 36</p> <p>1 MICHAEL WALLER      2 from God, as the greatest and most humane      3 leader of China and other effusive comments      4 about the Chinese Communist Party leader.      5 Q Do you know when those      6 statements were published?      7 A They were published throughout      8 that whole period, from the spring of 2017 up      9 until I believe as recently as September 2019.      10 Q Any other evidence that Mr. Guo      11 is not, in fact, a dissident?      12 A Yes. He owes his entire      13 business success to the Chinese secret police      14 called MSS, ministry of state security.      15 Q How do you know that?      16 A Mr. Guo told this to the Voice      17 of America in an extensive interview in April      18 2017 and he told journalist Bill Gertz, who was      19 then with the Washington Free Beacon, in an      20 article published in July 2017, and other      21 statements.      22 He also told Mike Forsythe of      23 The New York Times.      24 Q In 2017?      25 A Yes.</p>
<p style="text-align: right;">Page 35</p> <p>1 MICHAEL WALLER      2 Mr. Guo provided it to the Wall Street Journal.      3 Q And then the statement that was      4 published in August of 2017, where was that      5 published?      6 A That was -- that was -- there      7 were a couple, there was a video that was made      8 approximately on the 30th of August, 2017, on      9 YouTube, and then Mr. Guo made an interview      10 with a Chinese online news outlet that      11 translates to Mirror, roughly around the end of      12 August, early September 2017.      13 Q Okay, other than those      14 recordings or statements that you just      15 mentioned and the litigation campaign as you      16 described it, does Strategic Vision have any      17 additional evidence in support of the notion      18 that Mr. Guo is not, in fact, a dissident?      19 A Yes.      20 Q Please describe it.      21 A Mr. Guo made numerous public      22 statements that he published on Guo Media or      23 Voice of Guo announcing or pronouncing his      24 loyalty to Chinese communist party's leader Xi      25 Jingping and praising Xi Jingping as a gift</p>	<p style="text-align: right;">Page 37</p> <p>1 MICHAEL WALLER      2 Q Any other evidence that Mr. Guo      3 was not, in fact, a dissident?      4 A Yes, he continues as recently as      5 this year to show a profound affection and      6 respect for the former vice minister of state      7 security, his name is Ma Jian and he had made      8 his fortune under Ma Jian's sponsorship.      9 And worked with Ma Jian to wire      10 his real estate properties, including the      11 Pangzhou Plaza Hotel and retail complex, to      12 wire everything electronically so that the      13 secret police; could take compromising videos      14 of anybody who it wished to.      15 So he had in building his      16 fortune from his early beginnings with Ma Jian      17 at the provincial level all the way up to the      18 national level in Beijing, he relied on Ma Jian      19 as his patron and sponsor.      20 Q And what's the basis of your      21 testimony regarding Mr. Jian?      22 A These were Guo's own statements.      23 Q The statements you have just      24 described?      25 A Yes.</p>

10 (Pages 34 - 37)

<p style="text-align: right;">Page 38</p> <p>1           MICHAEL WALLER      2       Q   Any other evidence regarding the      3 notion that Mr. Guo is not, in fact, a      4 dissident?      5       A   Yes, unlike most dissidents from      6 communist countries who come to the United      7 States, Mr. Guo is not a defector, meaning he      8 did not turn against the system that he left.      9       Q   What's the basis for that      10 statement?      11      A   He was able to apply for a      12 defector Visa in 2017 when he sought a      13 permanent status in the United States.      14           He -- according to what he --      15 according to Mr. Guo as reported by Bill Gertz      16 he opted not to be a defector.      17      Q   And the basis for that testimony      18 is reporting done by Mr. Gertz?      19      A   As Guo -- yes, as Guo told him.      20      Q   I apologize again for my      21 inability to speak Mandarin, but are you      22 familiar with a gentleman whose name is first      23 name Xia, X-i-a, second name Yeliang,      24 Y-e-l-i-a-n-g?      25      A   Yes.</p>	<p style="text-align: right;">Page 40</p> <p>1           MICHAEL WALLER      2 were your communications with Mr. Xia part of      3 the basis for Strategic Vision's fraud      4 allegations?      5       A   No.      6       Q   Did you and Mr. Xia exchange      7 text messages regarding --      8           MS. CLINE: Strike that.      9       Q   Did you and Mr. Xia exchange any      10 written messages regarding Mr. Guo?      11      A   I don't recall.      12      Q   Are you aware of a lawsuit in      13 the Eastern District of Virginia in which      14 Mr. Guo sued Mr. Xia for defamation with regard      15 to the allegations regarding his being a spy?      16      A   Yes.      17      Q   And you are aware that Mr. Guo      18 won a jury verdict, correct?      19      A   He won parts of it on a jury      20 verdict.      21      Q   He won \$100,000, right?      22      A   No, he had to also pay back, I      23 think, \$20,000.      24      Q   He got a verdict in his favor of      25 \$100,000?</p>
<p style="text-align: right;">Page 39</p> <p>1           MICHAEL WALLER      2       Q   How do you pronounce that?      3       A   I am not Mandarin speaking      4 either, I X-i-a is pronounced Xia, or close      5 enough.      6       Q   And who is Mr. Xia?      7       A   She's a Defendant in one of      8 Guo's suits who's a critic of the Chinese      9 regime and of Guo.      10      Q   And you know Mr. Xia, right?      11      A   I met him once.      12      Q   Did you ever discuss with      13 Mr. Xia the subject of whether or not Mr. Guo      14 is a Chinese spy?      15      A   He told me that he contended      16 that Guo was a Chinese spy.      17      Q   Mr. Xia told you?      18      A   Yes.      19      Q   That Mr. Xia contended that Guo      20 was a spy?      21      A   Yes.      22      Q   And when did that conversation      23 take place?      24      A   Probably in June of this year.      25      Q   That was before -- was that --</p>	<p style="text-align: right;">Page 41</p> <p>1           MICHAEL WALLER      2       A   He got a partial verdict in his      3 favor, as far as I understand.      4       Q   So, the jury found that the      5 statement that Mr. Guo was a Chinese spy is      6 defamatory, right?      7           MR. GREIM: Objection, calling      8 for this witness to speculate about what      9 a jury found in some other case.      10          It's beyond the scope of the notice      11 and it's calling for a legal conclusion.      12      A   I can't give a legal conclusion.      13      Q   Were you -- I'm just asking for      14 your understanding, not a legal conclusion.      15          MR. GREIM: But his own personal      16 understanding of that case is not      17 relevant to anything in -- under the      18 notice.      19          I mean he said that we are not      20 relying upon that jury verdict for      21 anything in this case, so --      22      Q   No, I need an answer to my      23 question. These allegations all go to      24 Mr. Guo's status as a dissident or not.      25          So, did you attend that trial by</p>

<p>1                   MICHAEL WALLER 2 the way? 3     A   No. 4     Q   Were you involved in that trial 5 at all? 6     A   I was asked to be a witness in 7 that trial. 8     Q   Did you testify? 9     A   No. 10    Q   What were you asked to testify 11 about? 12    A   About my understanding of Guo as 13 a dissident. 14       MS. CLINE: Sounds relevant to 15 me. 16    Q   Why did you not testify? 17       MR. GREIM: Hold on, hold on, 18 wait a minute. 19       I'm going to object to being 20 outside the scope of the notice. The 21 witness has said he was asked to testify 22 about his own personal understanding of 23 Guo as a dissident. 24       Strategic Vision was not asked to 25 testify in that case, and this is to --</p>	<p>Page 42</p> <p>1                   MICHAEL WALLER 2 did not testify is not within the topics 3 here. He's not here to individually 4 testify. 5        MS. CLINE: I just want to make a 6 record so we can take this to the court, 7 if need be. 8        Q   So you were asked to testify 9 regarding Mr. Guo's dissident status, correct? 10      A   I was asked to testify in my 11 individual capacity having nothing to do with 12 Strategic Vision. 13      Q   But you were asked to testify 14 about whether or not Mr. Guo was a dissident, 15 correct? 16      A   Actually my -- the -- it has 17 nothing to do with this case, so I cannot 18 answer that question, based on counsel 19 directing me not to answer. 20       MR. GREIM: Let's see, here is 21 the thing, I think -- let's do this, the 22 question which is pending is whether 23 Mr. Waller was asked to testify about 24 Mr. Wengui's dissident status in another 25 case.</p>
<p>1                   MICHAEL WALLER 2 the purpose of this deposition is to 3 uncover the facts that Strategic Vision 4 has that form the basis of its pleading. 5        It's not to learn anything and 6 everything that Mr. Waller knows or about 7 his interaction with people in this other 8 case. 9        MS. CLINE: Can you repeat my 10 question, please. 11       (The question requested was read 12 back by the reporter.) 13       MR. GREIM: Okay, I'm going to 14 instruct the witness not to answer that 15 question. 16       This does not relate to Guo 17 Wengui's personal history, that's the 18 closest I can come here. 19       It does not relate to Strategic 20 Vision's contention under number 3, it 21 does not relate to the purported 22 misrepresentations Guo made to Strategic 23 Vision. 24       This person -- Mr. Waller's 25 individual decision on whether he did or</p>	<p>Page 43</p> <p>1                   MICHAEL WALLER 2 Is that -- I think I understand 3 that. I think if that is the question, I 4 would say we are beyond the scope, we are 5 beyond the scope of this notice. 6        This is not -- none of this is 7 information that is internal to Strategic 8 Vision, we are trying to, and some of 9 these questions understand Strategic 10 Vision's work product, we are right on the 11 edge of that, and I think -- and 12 Mr. Waller did not testify in the other 13 case, and so I think exploring these 14 communications is beyond the scope of the 15 notice. 16       So I will instruct the witness not 17 even to answer that question. 18       MS. CLINE: Okay, so just so we 19 have it clear for the record, you are 20 instructing the witness not to testify 21 based on an argument that the question 22 is beyond the scope of this 30(b)(6) and 23 the question at issue is whether or not 24 Mr. Waller -- is Mr. Waller's -- the 25 request that Mr. Waller testify as to</p>

12 (Pages 42 - 45)

<p style="text-align: right;">Page 54</p> <p>1           MICHAEL WALLER      2       A   Yes.      3       Doesn't mean I used the      4 information, but I spoke to them.      5       Q   So you did have communications      6 with Xia that formed the basis for Strategic      7 Vision's allegations in this case?      8       A   Yes, I evaluated all the cases,      9 read the cases, evaluated them and then came to      10 my own conclusions.      11      Q   I'm talking about private      12 communications that you had with Mr. Xia.      13      A   Yes, yes.      14      Q   And did you have any private      15 conversations with Mr. Xia that formed the      16 basis for your allegations in this case?      17      A   Mr. Xia's material did not form      18 the basis of allegations in this case.      19      Q   Anyone else other than Mr. Meng,      20 Mr. Shi, Mr. Lee?      21      A   Not to my recollection.      22      Q   Do you know who Richard Frankel      23 is?      24      A   No.      25      Q   A moment ago we went through</p>	<p style="text-align: right;">Page 56</p> <p>1           MICHAEL WALLER      2 that's been marked as Exhibit 102, have you      3 ever seen it before?      4       A   No.      5       Q   Have you ever seen the names on      6 this list before?      7       A   Yes.      8       Q   Do you know whether all of these      9 individuals are members of the Chinese      10 Communist Party?      11      A   No.      12      Q   Do you know whether any of them      13 is?      14      A   Yes.      15      Q   Can you sort of identify, tell      16 us what you know about these people?      17      A   I would need a different      18 document to reference it. It's a document      19 that's been produced before.      20           So I can't accurately tell you      21 who is who unless I refer to that document.      22      Q   So sitting here just based on      23 looking at their names, you can't say who's a      24 communist and who's not?      25      A   No, it would say on the</p>
<p style="text-align: right;">Page 55</p> <p>1           MICHAEL WALLER      2 statements that Strategic Vision claims Mr. Guo      3 made regarding the fact that he was a      4 dissident, and I think you talked about four      5 different meetings; do you recall that?      6       A   Yes.      7       Q   Is your testimony that Mr. Guo      8 himself made these statements?      9       A   Yes.      10      Q   In which language?      11      A   In Mandarin and in English. He      12 speaks better English than he let's on.      13      Q   So, my question is for -- on      14 each of those four occasions, it's your      15 testimony that he made the statement regarding      16 being a dissident in Mandarin and in English?      17      A   Yes, and if not using the word      18 dissident, saying he wants to destroy the      19 Communist Party of China.      20           MS. CLINE: Let's mark this as      21       102, please.      22           (The above described document was      23 marked Exhibit SV 102 for identification      24 as of this date.)      25      Q   We have handed you a document</p>	<p style="text-align: right;">Page 57</p> <p>1           MICHAEL WALLER      2 document. I know one of them is the grandson      3 of a Chinese Communist Party leader, I know      4 another one is a supposedly illegitimate child      5 of Wang Qishan, W-a-n-g Q-u-i-s-h-a-n.      6           But offhand I can't say.      7           I know one of them Lee June Soon      8 is one of the Chinese Communist Party and MSS      9 officers who visited Guo in his home in May,      10 but other than that, I can't tell you offhand.      11      Q   Okay that's fair.      12           So put Exhibit 102 aside and      13 just -- so Strategic Vision did, in fact, set      14 out to investigate a number of individuals on a      15 list, right?      16      A   Yes.      17      Q   It was called fish in the      18 parlance of the research agreement, right?      19      A   Yes.      20      Q   How many fish were there, do you      21 recall, initially?      22      A   Initially there were these 15      23 names.      24      Q   Did you come to -- did Strategic      25 Vision come to a conclusion as to whether those</p>

15 (Pages 54 - 57)

<p style="text-align: right;">Page 66</p> <p>1 MICHAEL WALLER      2 Q And the earnings, and I'm just      3 trying to use a word you're comfortable with,      4 so earnings, what does earnings mean?      5 A Earnings would be weigh of the      6 grows versus what was paid out in expenses.      7 Q So, to put it very simply, it      8 would be what came in minus what was paid out?      9 A Yes.      10 Q And did any -- what money came      11 into Strategic Vision in connection with this      12 contract?      13 A There was a deposit of \$1      14 million from ACA Capital, or almost \$1 million      15 to ACA Capital -- from ACA Capital to Strategic      16 Vision.      17 Q Any other money coming into      18 Strategic Vision with respect to this contract?      19 A Not to my knowledge.      20 Q And ballpark, how much money was      21 expended in costs by Strategic Vision with      22 respect to this contract?      23 A That question would be best put      24 to my colleague, but I can tell you by negative      25 reasoning the -- my half of the residual was</p>	<p style="text-align: right;">Page 68</p> <p>1 MICHAEL WALLER      2 A No.      3 Q And did Liberty Tree Partners      4 ever receive any payment from Strategic Vision?      5 A No.      6 Q What is Georgetown Research?      7 A Georgetown Research is the -- is      8 an LLC set up to administer this contract      9 that's at issue, meaning to sub out -- let me      10 rephrase that.      11 Oceanic Advisors was an LLC set      12 up for the purposes of administering things      13 through or from Strategic Vision for part of      14 the contract.      15 Q I think you just misspoke, you      16 said Oceanic Advisors.      17 A Pardon me, yes. No, Georgetown      18 Research.      19 MS. CLINE: So can you read back      20 his answer,      21 (The answer requested was read back      22 by the reporter.)      23 Q So, fair to say that Georgetown      24 Research was the LLC set up to administer      25 things with respect to Strategic Vision and</p>
<p style="text-align: right;">Page 67</p> <p>1 MICHAEL WALLER      2 about \$250,000.      3 Q So your half of the earnings was      4 \$250,000?      5 A Yes.      6 Q Okay, so you're not here to      7 testify about specific expenditures that      8 Strategic Vision made, is that correct?      9 A Right.      10 Q What is Oceanic Advisors?      11 A Oceanic Advisors was -- was a      12 sole member LLC that I had that's defunct.      13 Q Did Oceanic Advisors have any      14 role in connection with the research agreement      15 at issue here?      16 A No.      17 Q Did Oceanic Advisors ever      18 receive any money from Strategic Vision?      19 A No.      20 Q What is Liberty Tree Partners?      21 A That's another one member LLC      22 that I own.      23 Q And did Liberty Tree Partners      24 have any role with respect to the research      25 agreement at issue here?</p>	<p style="text-align: right;">Page 69</p> <p>1 MICHAEL WALLER      2 this contract?      3 A Yes, it was to administer      4 certain aspects of the contract.      5 Q And which aspects were those?      6 A They were -- first we did -- by      7 agreement with Mr. Guo we would use multiple      8 entities to -- for funding so that things would      9 be harder for the Chinese to trace.      10 So that was the primary reason      11 for setting up a company like that, and it was      12 mainly to serve as a payment mechanism or a      13 subcontracting mechanism.      14 Q Any other aspects that were the      15 responsibility of Georgetown Research?      16 A No.      17 Q So when was Georgetown Research      18 established?      19 A Late 2019 -- late 2017.      20 Q Who are the members of -- it's      21 an LLC, correct?      22 A Yes.      23 Q Who are the members of      24 Georgetown Research?      25 A French Wallop and myself.</p>

18 (Pages 66 - 69)

<p>1            MICHAEL WALLER      2        Q    50/50?      3        A    Yes.      4        Q    And there is a written operating      5 agreement, I assume?      6        A    No.      7        Q    It's registered to do business,      8 the LLC?      9        A    Yeah.      10      Q    And where is it registered?      11      A    I think it's Wyoming.      12      Q    Have there ever been any more      13 than two owners?      14      A    No.      15      Q    Georgetown Research did receive      16 payments from Strategic Vision, correct?      17      A    Yes.      18      Q    Can you just describe those      19 payments, very generally?      20      A    Sure, those were provided --      21 they were -- they were either payments to a      22 subcontractor who executed a lot of the work,      23 or to myself.      24      MS. CLINE: Can you mark this as      25      103.</p>	<p>Page 70</p> <p>1            MICHAEL WALLER      2 correct?      3        A    Yes.      4        Q    And on the same day there was a      5 withdrawal of \$200,000, correct?      6        A    Yes.      7        Q    Do you know where that money      8 went?      9        A    Yes.      10      Q    First of all, was it a      11 withdrawal in cash?      12      A    No.      13      Q    Tell us about that withdrawal.      14      A    It was a -- it was either a bank      15 transfer or a wire.      16      Q    Where did that money go?      17      A    That went to the subcontractor      18 for Team 1.      19      Q    And how was the subcontractor      20 for Team 1 paid?      21      A    Through that payment directly to      22 an account that the Team 1 leader held.      23      Q    By wire transfer?      24      A    Either wire transfer or ACH.      25      Q    So it wasn't a physical -- it</p>
<p>1            MICHAEL WALLER      2        (The above described document was      3        marked Exhibit SV 103 for identification      4        as of this date.)      5        Q    We have handed you what's been      6 marked as Exhibit 103, and I can represent for      7 the record that the highlight on the first page      8 is mine.      9        But other than that, do you      10 recognize Exhibit 103?      11      A    Yes.      12      Q    What is it?      13      A    It's a bank statement for      14 Georgetown Research from -- for the month of      15 January, 2018.      16      Q    And the first page of Exhibit      17 103 indicates that Georgetown Research received      18 two wire transfers from Strategic Vision, is      19 that correct?      20      A    Yes.      21      Q    And one of them was for \$25,000      22 and the other one for \$200,000, correct?      23      A    Yes.      24      Q    And then those were made on --      25 those transfers were made on January 16th,</p>	<p>Page 71</p> <p>1            MICHAEL WALLER      2 wasn't cash?      3        A    No, it was an electronic      4 payment.      5        Q    Can you turn to page 2 of      6 Exhibit 103, Bates stamped 1956.      7        Does the transaction receipt      8 that has something to do with the \$200,000?      9        A    This is very faint. I can't      10 read the -- I can't read this.      11      Q    Okay, can you see that there are      12 two references to two checking accounts there?      13      Are you able to make that out?      14      A    Yes.      15      Q    Do you know whose checking      16 accounts -- says withdrawal from checking then      17 deposit to checking, do you know whose deposits      18 those are?      19      A    I can't see the numbers. If you      20 have a better copy I could tell you, on this      21 page?      22      Q    Correct?      23      A    Yes, I can't tell you.      24      Q    You would agree with me that      25 Georgetown Research's account ends in 034,</p>

<p style="text-align: right;">Page 74</p> <p>1 MICHAEL WALLER      2 correct?      3 A Yes.      4 Q Do you have any idea whose      5 checking account ends in 001?      6 A I believe this was Team 1      7 leader.      8 If page 1956 matches this, then      9 it would be Team 1 leader.      10 Q Was the transfer made to an      11 individual or to an entity?      12 A To an entity.      13 Q And are you willing to testify      14 about the name of that entity?      15 A That's protected under an      16 initial court order by Judge kettle.      17 Q Do you know what Team 1 leader,      18 was there -- what were the terms under which      19 Team 1's leader was to receive \$200,000?      20 A That was to set up Team 1      21 outside the United States to do the work.      22 Q And was there any itemization of      23 that \$200,000?      24 A No.      25 Q So, you have no idea what that</p>	<p style="text-align: right;">Page 76</p> <p>1 MICHAEL WALLER      2 \$200,000.      3 Q Okay, so in the redacted section      4 of text that's under the word invoice, is that      5 where Team 1's leader's name would appear?      6 A I believe so, yes.      7 Q Other than this, is there any      8 written evidence from Team 1 regarding that      9 payment of \$200,000?      10 A No, presumably illegible page      11 1956, but that would be all.      12 Q Did Team 1 send you a receipt      13 after you paid the invoice that's number 104?      14 A No. Not to my recollection.      15 Q Did you create Exhibit 104?      16 A I provided the document.      17 Q So you created the invoice, did      18 anyone at Team 1 ever touch Exhibit 104?      19 A No.      20 Q So you just created --      21 A Touch the --      22 Q So who created Exhibit 104?      23 A Team 1 did. I created the      24 exhibit in discovery, but Team 1 created the      25 document.</p>
<p style="text-align: right;">Page 75</p> <p>1 MICHAEL WALLER      2 \$200,000 was spent on?      3 A Yes, I do.      4 Q Okay, what was it?      5 A It was on computer gear and a      6 computer team.      7 Q And did Strategic Vision ever      8 get invoices or receipts for either the      9 computer gear or the computer team?      10 A We got an invoice.      11 Q From whom?      12 A Pardon me, Georgetown -- I don't      13 recall whether it was Strategic Vision or      14 Georgetown Research that got an invoice, but      15 one of the two got an invoice.      16 MS. CLINE: Mark this as the next      17 exhibit, please.      18 (The above described document was      19 marked Exhibit SV 104 for identification      20 as of this date.)      21 A Yes, this is the invoice.      22 Q So, yes, so if you would just      23 describe for the record what Exhibit 104 is?      24 A Exhibit 104 is an issue from      25 Team 1 leader to Georgetown Research for</p>	<p style="text-align: right;">Page 77</p> <p>1 MICHAEL WALLER      2 I mean this is Team 1's invoice      3 to Georgetown Research which I provided as      4 Georgetown Research, I provided in discovery.      5 Q Okay, putting aside who produced      6 it in discovery, who physically typed this up?      7 A Team 1.      8 Q Okay, and so you received this      9 document that is Exhibit 104 from someone at      10 Team 1, correct?      11 A Yes.      12 Q Then just to close the loop, so      13 in connection with this invoice dated January      14 6, Georgetown Research made a wire transaction      15 on January 16th, is that right?      16 A Yes.      17 Q And then -- but you are not      18 aware of any receipt that Team 1 provided when      19 it received the funds, is that correct?      20 A Correct.      21 Q And you never got an itemization      22 from Team 1 as to how that \$200,000 was spent,      23 correct?      24 A Correct.      25 Q To the best of your knowledge it</p>

20 (Pages 74 - 77)

<p style="text-align: right;">Page 78</p> <p>1           MICHAEL WALLER      2 was spent on computer gear, computer teams, but      3 you can't say anything more specific than that?      4       A    Correct.      5       Q    Was there an understanding      6 between Strategic Vision and Team 1 about      7 expenses beyond \$200,000?      8       A    No, that was a flat rate payment      9 system that we had, and we structured      10 everything in a way to protect Mr. Guo from      11 being discovered by the Chinese.      12       So in our discussing the      13 contract, as we were arranging this with      14 Mr. Guo, we said that all invoicing would be      15 kept to a minimum and there would be as little      16 paperwork as possible in order to prevent the      17 Chinese government from finding out about this      18 activity.      19       So, likewise, we were not to      20 have invoiced either, there would just be      21 certain payments made verbally, through a      22 verbal arrangement.      23       Q    I'm sorry, there would be      24 payments made?      25       A    Right.</p>	<p style="text-align: right;">Page 80</p> <p>1           MICHAEL WALLER      2       A    On or about January 6, 2018.      3       Q    Did Strategic Vision ask Team 1      4 to search its records for documents relevant to      5 this litigation?      6       A    Yes.      7       Q    And did they provide any?      8       A    There were no documents.      9       Q    Turn, if you would, in Exhibit      10 103 to Bates page 1957.      11       And this relates to -- it's a      12 bank account statement as of February 28th of      13 2018, correct?      14       A    Yes.      15       Q    There are two payments that are      16 American Express payments, do you see those?      17       A    Yes.      18       Q    Whose American Express is being      19 paid there?      20       A    That was my American Express.      21       Q    And then there is a wire      22 transfer to Allied Special Operations Group, do      23 you see that?      24       A    Yes.      25       Q    That's been referred to as Team</p>
<p style="text-align: right;">Page 79</p> <p>1           MICHAEL WALLER      2       Q    Through a verbal?      3       A    Right, so invoices would be      4 verbal.      5       Q    Invoices would be oral, you      6 mean, not written down?      7       A    Right.      8       Q    And how physically did Team 1      9 transmit this invoice to Georgetown Research?      10      A    By hand.      11      Q    And where did that take place?      12      A    Probably in Washington, D.C.      13      Q    Do you remember?      14      A    Not for facts.      15      Q    So you met face-to-face with the      16 leader of Team 1 in Washington, is that right?      17      A    Yes, in the D.C. area.      18      Q    What was the date on which you      19 and he met?      20      A    We met many times.      21       In terms of this contract, we      22 met many times between November and -- November      23 2017 and March 2018.      24      Q    Do you remember when he gave you      25 this invoice that's Exhibit 104?</p>	<p style="text-align: right;">Page 81</p> <p>1           MICHAEL WALLER      2       2 in this litigation, is that correct?      3       A    Yes.      4       Q    And that was the entirety of the      5 payment to Team 2, correct?      6       A    Yes.      7       Q    So, in terms of outgoing funds      8 from Georgetown Research, we have a \$200,000      9 deposit that goes to Team 1, correct?      10      A    Yes.      11      Q    And we have call it      12 approximately \$3,000 in your American Express      13 payment, correct?      14      A    Yes.      15      Q    And then the transfer to Team 2      16 for approximately \$5,400, right?      17      A    Yes.      18      Q    And then turn, if you would, to      19 the next page, to 1958, you see there are two      20 more American Express payments, right?      21      A    Yes.      22      Q    And those coordinate or      23 correspond to reimbursement invoices that you      24 submitted personally, correct?      25      A    Yes, I believe so.</p>

<p style="text-align: right;">Page 82</p> <p>1 MICHAEL WALLER      2 Q Do you know why there are two      3 payments to American Express in the same month?      4 A No.      5 Q Was Georgetown research paying      6 anyone's American Express bill other than      7 yours?      8 A No.      9 Q All right, so then in March we      10 have approximately \$8,000 in business expenses,      11 right?      12 A Well, they were February, but      13 credited in March.      14 Q Excuse me, fair, yes.      15 Turn the page to 1959, do you      16 see that?      17 A Yes.      18 Q There is one payment in April,      19 correct?      20 A Yes.      21 Q And that's made to your American      22 Express account?      23 A Yes.      24 Q And do those expenses tie out to      25 a reimbursement invoice, do you know?</p>	<p style="text-align: right;">Page 84</p> <p>1 MICHAEL WALLER      2 around March 25th of 2018.      3 Q Right, so in light of that, do      4 you have any explanation for why there are      5 still being payments made in May to Georgetown      6 Research?      7 A Because we ended up using      8 Georgetown Research for other purposes.      9 Q When did that start taking      10 place?      11 A After the termination of the      12 contract.      13 Q When specifically?      14 A Well, if you find the date of      15 the termination of the contract, you get the      16 date of the change.      17 Q What were the purposes for which      18 you used it immediately after the contract      19 termination?      20 A First there were still bills to      21 be paid, and second there was other business to      22 be done through things having nothing to do      23 with this contract.      24 Q So, with respect to the      25 transaction listed in the May bank statement,</p>
<p style="text-align: right;">Page 83</p> <p>1 MICHAEL WALLER      2 A Probably, because it's an odd      3 number.      4 Q But that's your American      5 Express?      6 A Yes.      7 Q The bill, correct?      8 A Yes.      9 Q And then turn to the last page,      10 if you would, which is a bank statement as of      11 May 31; do you see that?      12 A Yes.      13 Q And the first entry is a wire      14 transfer from Strategic Vision for \$15,000; do      15 you see that?      16 A Yes.      17 Q Why was that transfer made?      18 A I don't recall.      19 Q Do you know whether that was      20 part of the \$250,000 in earnings that you      21 received personally?      22 A I don't recall.      23 Q Do you recall when the research      24 agreement at issue here was terminated?      25 A It would have been effective</p>	<p style="text-align: right;">Page 85</p> <p>1 MICHAEL WALLER      2 we talked about the \$15,000 credit and you      3 don't know why that was made, correct?      4 A Correct.      5 Q Then there is a payment to you,      6 the \$15,000; do you see that?      7 A Yes.      8 Q I'm sorry if you answered this,      9 is that included in your \$250,000, or no?      10 A I would have to go back and      11 check, but I did say approximately \$250,000.      12 Q And then there is another AMEX      13 payment on May 7, do you see that?      14 A Yes.      15 Q And what business expenses could      16 be being paid on May 7th with respect to this      17 contract if it terminated effective in March?      18 A I didn't say this was related to      19 the contract.      20 Q Okay, so then you tell me then,      21 is this bill payment on May 7, is that not      22 related to this case, not related to Eastern      23 Profit?      24 A I don't know, I don't believe      25 so.</p>

<p style="text-align: right;">Page 90</p> <p>1           MICHAEL WALLER      2 by Strategic Vision and Eastern Profit in part      3 in Ms. Wallop's home in Virginia, correct?      4       A    Most of it was negotiated with      5 Guo Wengui in his home in New York City.      6       Q    Didn't some of the negotiations      7 take place in Ms. Wallop's home in Virginia?      8       A    To my understanding, yes.      9       Q    And the contract was signed in      10 Ms. Wallop's home in Virginia, correct?      11      A    She signed it there with Yvette      12 Wang.      13      Q    Strategic Vision signed the      14 contract in Virginia?      15      A    With Yvette Wang in Virginia,      16 yes.      17      Q    Right above the signature page      18 there is a subheading called duration, do you      19 see that?      20      A    Yes.      21      Q    In the last sentence of that      22 paragraph says, "Either party may terminate the      23 contract with 30 days written notice."      24           Do you see that?      25      A    Yes.</p>	<p style="text-align: right;">Page 92</p> <p>1           MICHAEL WALLER      2 at the end of the contract, right?      3       A    Yes.      4           MR. GREIM: Objection, calls for      5 a legal conclusion.      6       Q    That was your understanding?      7       A    I withdraw my legal conclusion.      8       Q    I'm not asking you -- you're a      9 business person, right?      10      A    Yes.      11      Q    I'm just asking you for your      12 understanding of the parties' terms. You don't      13 have to have a JD to do that.      14           So your understanding was that      15 the deposit would be credited on a pro rata      16 basis to the end of the contract, correct?      17           MR. GREIM: I just object once      18 again because this is for Strategic      19 Vision's vision's understanding and not      20 Mr. Waller's.      21      Q    Yeah, I'm asking for your      22 understanding.      23           You've no reason to disagree      24 with what I just said, correct?      25      A    I agree it says the deposit will</p>
<p style="text-align: right;">Page 91</p> <p>1           MICHAEL WALLER      2       Q    That was your understanding of      3 the terms of the agreement, correct?      4       A    Yes.      5       Q    And there didn't need to be      6 cause to terminate, there didn't need to be a      7 reason to terminate, correct?      8       A    Yes; correct.      9       Q    Thank you.      10      A    And the contract was terminated      11 by Eastern Profit on or about February 23, is      12 that correct?      13      A    To my recollection, yes.      14      Q    I'm still looking on page 5 of      15 the agreement here, the parties agreed that --      16 it says, "The client will pay the contractor a      17 deposit of U.S. \$1 million."      18           Do you see that?      19      A    Yes.      20      Q    And a deposit, in fact, was      21 paid, correct?      22      A    By ACA Capital, yes.      23      Q    And the parties -- with respect      24 to the deposit, the parties agreed that the      25 deposit would be credited on a prorated basis</p>	<p style="text-align: right;">Page 93</p> <p>1           MICHAEL WALLER      2 be credited on a prorated basis to the final      3 one, one-third month's of the contract.      4       Q    And you understood that the      5 Strategic Vision understood that the \$1 million      6 was a downpayment, not a signing fee, correct?      7       A    No, it was a deposit.      8       Q    So you did understand that it      9 was a downpayment, not a signing fee?      10      A    Correct.      11           MR. GREIM: Objection, vague.      12      A    In our negotiations with Mr. Guo      13 on this contract, he did not like the idea of a      14 a signing bonus or a deposit, so we settled      15 on -- pardon me, he didn't like the idea of a      16 signing bonus or an advance, so he chose to      17 call it a deposit, so we called it a deposit,      18 too.      19      Q    But you agree that it's not a      20 signing fee?      21      A    Correct.      22      Q    And you just testified, and I      23 think we saw, maybe we didn't yet, but the \$1      24 million deposit came in through ACA Capital,      25 correct?</p>

<p style="text-align: right;">Page 94</p> <p>1           MICHAEL WALLER      2       A   Yes.      3       Q   And Strategic Vision did not      4 return any portion of that deposit to ACA      5 Capital, did it?      6       A   Correct. No, it did not.      7       Q   Turn, if you would again, you      8 might still be there, page 5 of the research      9 agreement.      10      Sort of in the middle of the      11 page there is a paragraph that starts with the      12 word subsequent, do you see that?      13      A   Yes.      14      Q   Then so there is a sentence that      15 starts with the word I will just read it all,      16 "subsequent payments will be made to the same      17 account unless mutually agreed otherwise in      18 writing."      19      Do you see that?      20      A   Yes.      21      Q   Then it says, "It is understood      22 that the client may direct other entities to      23 pay the contractor and that such payments will      24 be deemed satisfactory."      25      Do you see that?</p>	<p style="text-align: right;">Page 96</p> <p>1           MICHAEL WALLER      2       Q   But that never got memorialized      3 in the written contract, correct?      4       A   Correct.      5       Q   Just generally speaking, from a      6 business perspective of Strategic Vision, what      7 was -- what services was Strategic Vision      8 agreeing to provide to Eastern Profit under the      9 agreement?      10     MR. GREIM: Objection, vague.      11     And one thing I'll say is this is      12 all material that was in the original      13 petition -- sorry, claim and counterclaim,      14 it was already covered in the 30(b)(6) of      15 Strategic Vision.      16     So none of this about the      17 statements of the services to be provided      18 is new, and that's what we are limiting      19 today to.      20     MS. CLINE: The notice does call      21 for documents that were newly produced,      22 including a giant stack of handwritten      23 notes by Mr. Waller regarding the      24 negotiations of the contract.      25     So I'm entitled to ask him his</p>
<p style="text-align: right;">Page 95</p> <p>1           MICHAEL WALLER      2       A   Yes.      3       Q   Are you aware of any prohibition      4 in the contract that prohibited Eastern Profit      5 from making payments from entities other than      6 Eastern Profit?      7       A   It was explicit that they would      8 be all entities controlled by Guo Wengui, that      9 it was his money, and that he would -- he may      10 use various vehicles to conceal from the      11 Chinese government the fact that he was making      12 these payments.      13      Q   And there was no prohibition      14 that --      15      MS. CLINE: Strike that.      16      Q   The parties -- there was no      17 prohibition in the contract preventing Eastern      18 Profit from making payment from an entity based      19 in Hong Kong, was there?      20      A   Let me review this.      21      In our negotiations with him, it      22 was explicit that there would never be a      23 payment straight from Hong Kong, because that      24 would violate basic operational security      25 compromising both Mr. Guo and all of us.</p>	<p style="text-align: right;">Page 97</p> <p>1           MICHAEL WALLER      2 understanding of the contract.      3       If they are inconsistent with his      4 notes, then I will impeach him.      5       MR. GREIM: Fair enough. I agree      6 with that.      7       MS. CLINE: Would you read back      8 the last question and answer.      9       (The portion of the record      10 requested was read back by the reporter.)      11      Q   Can you answer that question?      12      A   In summary, the agreements were      13 to dig up information on Chinese Communist      14 Party members and their family members and      15 their illegitimate children who would not      16 overtly be connected to them, who were running      17 or managing illegally gotten gains or money      18 stolen by the CCP officials for their own self      19 enrichment and any other kind of information      20 that would show their breaking Chinese law or      21 Communist Party "morality," anything that would      22 cause them to be shown to be breaking Chinese      23 law, American law and by extension discrediting      24 the party leadership.      25      Q   And there were certain reports</p>

25 (Pages 94 - 97)

<p>1                   MICHAEL WALLER 2 or deliverables to be provided under the 3 contract, correct? 4       A   Yes. 5       Q   And the deliverables would be 6 delivered by USB only, correct? 7       A   Correct. 8       Q   Turn, if you would, to the first 9 page of Exhibit Han 11. 10                  I direct your attention to the 11 bottom of the page, paragraph A. 12                  There is a sub-bullet there that 13 says, "Financial forensic historical research." 14                  Do you see that? 15       A   Yes. 16       Q   And that was one of the types of 17 deliverables to be provided, correct? 18       A   Yes. 19       Q   And specifically if you go to 20 the second line of that paragraph, it says, 21 "Research will consist of in-depth and detailed 22 reports of existing and historical business and 23 financial transactions." 24                  Do you see that? 25       A   Yes.</p>	<p>Page 98</p> <p>1                   MICHAEL WALLER 2 not permit us to do that, so we did not deliver 3 them. 4       Q   If you turn the page and go to 5 section B, it says, "Current tracking 6 research." 7                  Do you see that? 8       A   Yes. 9       Q   And it says, "Current tracking 10 research shall consist of, but not will be 11 limited to in depth and detailed reports on 12 movements of specified subjects by land, air 13 and sea." 14                  Do you see that? 15       A   Yes. 16       Q   Did Strategic Vision deliver any 17 reports of that nature? 18       A   Yes. 19       Q   Describe that? 20       A   We found movements of specific 21 subjects by land and air, private and 22 commercial, addresses and lodging, means of 23 transportation, geolocation, and Mr. Guo 24 refused to accept that information. 25       Q   Did you attempt to provide that</p>
<p>1                   MICHAEL WALLER 2       Q   Did Strategic Vision ever 3 produce such a deliverable? 4       A   Mr. Guo did not give us time. 5       Q   But just -- can you just answer 6 my question so the record is clear. 7                  Did Strategic Vision ever 8 produce such a deliverable? 9       A   Mr. Guo made it impossible for 10 us to deliver that kind of material. 11       Q   So Strategic Vision did not 12 deliver that material, correct? 13       A   I already said my answer. 14       Q   I need an answer to the question 15 I understand. 16       A   I answered your question. 17       Q   I understand that you have 18 another argument, but I need an answer to the 19 question. 20                  Did Strategic Vision ever 21 provide the in-depth and detailed reports of 22 existing and historical business and financial 23 transactions mentioned in the last paragraph of 24 page 1? 25       A   I will say again, Mr. Guo did</p>	<p>Page 99</p> <p>1                   MICHAEL WALLER 2 information to Mr. Guo? 3       A   Yes. 4       Q   By what means? 5       A   By -- through Lianchao Han in 6 February, the first or second week of February, 7 2018. 8       Q   Tell me about that. 9       A   This was work we had found 10 through Team 2. 11       Q   Team 2 is the ASOG team? 12       A   Yes. 13       Q   And what was the deliverable 14 that -- 15       MS. CLINE: Well, strike that. 16       Q   Tell me about what Team 2 found? 17       A   Well, first of all we had a 18 problem because there were questions about 19 whether the research methodology was legal. 20                  We sought Mr. Guo's guidance on 21 that and he refused to give that guidance, so 22 we could not produce the data for him that had 23 been retrieved. 24                  We could not provide him with 25 the data that had been retrieved because we</p>

<p style="text-align: right;">Page 102</p> <p>1 MICHAEL WALLER      2 were concerned about the legality of the way in      3 which it was collected.      4 Q Did Strategic Vision then      5 receive from Team 2 a deliverable on a USB?      6 A No, we received the deliverable      7 on paper in their offices. They refused to      8 provide all of the data because of their      9 concerns about legality, but they gave us a      10 summary of it.      11 We went back to Mr. Guo through      12 Lianchao Han for guidance saying we found      13 information but we have hit an impasse, can you      14 give us guidance on what to do?      15 He refused to provide that      16 guidance.      17 Q The -- so, ASOG gave you written      18 documentation?      19 A He showed us.      20 Q What did they show you?      21 A It was a stack of about half an      22 inch thick or more, maybe three-quarters of an      23 inch thick of their actual documentation      24 concerning flights from Shanghai to Los Angeles      25 International Airport on private planes with</p>	<p style="text-align: right;">Page 104</p> <p>1 MICHAEL WALLER      2 Q And Strategic Vision subpoenaed      3 ASOG in this case, right?      4 A Yes.      5 Q And is there anything of the      6 sort of what you're describing produced by ASOG      7 in this case?      8 MR. GREIM: Hold on, hold on.      9 Actually Eastern Profit subpoenaed ASOG,      10 Strategic Vision subpoenaed the person      11 named in ASOG's response to your client.      12 Q Okay, so Strategic Vision      13 subpoenaed Adam Kraft?      14 MR. GREIM: That's right.      15 Q Is that your understanding?      16 A I stand corrected from my      17 previous statement. Yes, that is my      18 understanding.      19 Q And did Mr. Kraft produce any      20 documents in response to the subpoena, to your      21 knowledge?      22 A I don't know.      23 MR. GREIM: I will take this one      24 just to be clear; he did not.      25 MS. CLINE: Let's mark this one</p>
<p style="text-align: right;">Page 103</p> <p>1 MICHAEL WALLER      2 the tail numbers that went to a private hangar      3 where U.S. Customs had no inspectors.      4 It had an airport in Wisconsin      5 where these planes would be parked.      6 It had names of individuals      7 doing transit on those and other aircraft,      8 these were private flights.      9 It had -- let me see, back on      10 this tracking research, it had significant      11 contacts of the subjects involved.      12 So it was a perfect set of      13 datapoints through which to begin a serious      14 deep dive, but we asked Mr. Guo for guidance      15 because we -- he refused to provide that      16 guidance, that's why we did not provide him the      17 data.      18 Q So, Strategic Vision -- sorry,      19 ASOG showed you this information in hard copy      20 form?      21 A Yes.      22 Q And you didn't receive a      23 photocopy of that information?      24 A No, they refused to provide it;      25 because of questions of legality.</p>	<p style="text-align: right;">Page 105</p> <p>1 MICHAEL WALLER      2 as the next up, please.      3 (The above described document was      4 marked Exhibit SV 105 for identification      5 as of this date.)      6 Q Have you seen Exhibit number 105      7 before?      8 A Yes.      9 Q What is it?      10 A This is an invoice from Allied      11 Special Operations Group, ASOG, from March 2018      12 for the work that we just discussed.      13 Q Originally they were set to      14 invoice Strategic Vision over \$100,000,      15 correct?      16 A Correct.      17 Q And then ultimately they only      18 invoiced Strategic Vision \$5,400,      19 approximately?      20 A Yes.      21 Q You see on the page 2 of the      22 invoice there is an asterisk at the top next to      23 the words termination credit, do you see that?      24 A Yes.      25 Q It says see note below?</p>

27 (Pages 102 - 105)

<p style="text-align: right;">Page 106</p> <p>1           MICHAEL WALLER      2       A   Yes.      3       Q   Then at the bottom -- well, the      4 last text on the page there is a bullet that      5 says "termination credit," do you see that?      6       A   Yes.      7       Q   It says, "Client advised all      8 targets are RP by NCS."      9           Do you see that?      10      A   Yes.      11      Q   What does that mean?      12      A   This was the reason why they,      13 ASOG, did not provide us physical copies of the      14 data, because of questions of legality.      15           The targets that Mrs. Wang gave      16 us on behalf of Mr. Guo were -- which we      17 provided to ASOG, were designated as RP or      18 records protected.      19           And what ASOG told us is that RP      20 stands for -- as a designation for foreign      21 nationals whose files are protected by federal      22 authorities either because they are subject of      23 national security investigation,      24 counterterrorism investigation, criminal      25 investigation, or they may be subject to it, or</p>	<p style="text-align: right;">Page 108</p> <p>1           MICHAEL WALLER      2       A   Yes.      3       Q   Do you know what that means?      4       A   Yes.      5       Q   Can you explain it?      6       A   Yes. They wanted to know who we      7 were seeking this information for, and we      8 wouldn't tell them in order to protect our      9 agreement with Mr. Guo, and they immediately      10 suspected that it was Mr. Guo because of how      11 those names could be found open source linked      12 to his.      13           And we wouldn't acknowledge that      14 either, and then they suspected that this may      15 be a China's foreign counterintelligence      16 operation and that we were being used for those      17 purposes to assist the Chinese Secret Service      18 in finding information on that selective list      19 of people, meaning what did the U.S. Government      20 know or what was the status of the U.S.      21 criminal investigation of them.      22       Q   Can you just describe what you      23 mean by open source linked?      24       A   So, you go through social media      25 or any online media that's open source and you</p>
<p style="text-align: right;">Page 107</p> <p>1           MICHAEL WALLER      2 conversely they may be collaborating with U.S.      3 authorities.      4           So they want to keep those      5 records private so that nobody finds out about      6 any of this until the government deems      7 necessary.      8           It was because of ASOG      9 discovering this RP designation that it was      10 unable to provide us with the data that it      11 provided.      12      Q   And do you know, did they tell      13 you what NCS means?      14      A   If I recall correctly it's      15 National Counterterrorism Service but I am not      16 sure.      17      Q   Did they provide a statutory      18 site about this restricted persons concept?      19      A   No.      20      Q   Had you ever heard it before?      21      A   No.      22      Q   The next line says, "ASOG      23 requests explanation by client. No explanation      24 provided."      25           Do you see that?</p>	<p style="text-align: right;">Page 109</p> <p>1           MICHAEL WALLER      2 collect that on a very large scale, aggregate      3 it, then do your link analysis to find out what      4 some of the common names are.      5           And Guo had apparently denounced      6 a lot of these people in his videos or in his      7 public statements, and they -- leading these      8 analysts here immediately to assume that our      9 client was Guo.      10     Q   Does open source mean public?      11     A   Yes.      12     Q   How did ASOG deliver this      13 invoice that's Exhibit 105 to Strategic Vision?      14     A   I don't remember if it was by      15 hand or by e-mail, but -- I know it was by      16 e-mail, but I don't know if it was both.      17     Q   The documents that they showed      18 you, that was in Texas?      19     A   Yes.      20     Q   And who was present for that      21 meeting?      22     A   That was Adam Kraft who was the      23 CEO, that was the CFO, Russ, last name began      24 with R, I will remember it, and then the COO I      25 will recall his name, it's -- if I see their</p>

28 (Pages 106 - 109)

<p style="text-align: right;">Page 110</p> <p>1           MICHAEL WALLER      2 website I can tell you who the names were.      3           And then there were three      4 analysts who I only knew by their first names.      5        Q   Was anyone there on behalf of      6 Strategic Vision other than yourself?      7        A   Yes, French Wallop was there.      8        Q   Was anyone else present other      9 than the three individuals you described?      10      A   No.      11      Q   And, I'm sorry, you may have      12 said this and I just didn't remember, where in      13 Texas was the meeting?      14      A   Addison, Texas, it was right      15 outside Dallas.      16      Q   At their offices?      17      A   Yes.      18      Q   Other than that -- so that      19 information never ended up on a USB drive that      20 was in your possession, correct?      21      A   No.      22      Q   And it certainly never made its      23 way to Eastern Profit, correct?      24      A   Correct. We got into a big      25 argument with them about it, saying we were</p>	<p style="text-align: right;">Page 112</p> <p>1           MICHAEL WALLER      2 said I don't care if it's legal, just get it.      3           MS. CLINE: Move to strike.      4        A   That is a completion of my      5 answer. I ask that my comments be retained for      6 the record.      7        Q   If you drop down to paragraph C      8 on page 2 of the agreement, social media      9 research, do you see that subtitle?      10      A   Yes.      11      Q   It goes on to say, "Shall      12 consist of in-depth and detailed reports on the      13 social media usage and networks of specified      14 subjects and public figures."      15           Do you see that?      16      A   Yes.      17      Q   Did Strategic Vision ever      18 provide a deliverable that meets that      19 description?      20      A   Yes.      21      Q   Tell me about that.      22      A   It first obviously is to      23 research anything or anyone you need to do      24 basic research on it, so Team 1 did its own      25 initial research through open source or public</p>
<p style="text-align: right;">Page 111</p> <p>1           MICHAEL WALLER      2 ready to pay for it, she should have told us      3 this ahead of time, and this was causing      4 problems for us and for the client, and they      5 said this, if we give it to you, it's going to      6 break federal law, so no.      7           That's when we went back to      8 Mr. Guo for guidance through Lianchao Han about      9 what to do next.      10      Q   When you say we and they,      11 meaning Strategic Vision got into an argument      12 with ASOG?      13      A   Correct.      14      Q   So, other than the stack of hard      15 copy papers that you described that you saw but      16 didn't receive from ASOG, did Strategic Vision      17 compile any other tracking research consistent      18 with paragraph B on page 2 of the agreement?      19      A   No, that was our first crack at      20 the tracking research.      21      Q   And then -- just bear with me.      22      A   I might also add that it was a      23 problem on the legality side because while      24 Lianchao Han was scrupulous about obeying U.S.      25 law, Yvette Wang was not, and she even once</p>	<p style="text-align: right;">Page 113</p> <p>1           MICHAEL WALLER      2 social media on certain of the targets on that      3 15 person list.      4           That was their own basic work.      5 So the only report, in quotes, that we provided      6 as a deliverable was showing how the research      7 team was setting up its methodology to collect      8 this data, but we did not -- that was the      9 extent of the report, it was just an initial      10 status report after the first week.      11      Q   Okay.      12      A   Or two.      13      Q   So there was a report on      14 methodology, correct?      15      A   Yes, but keep in mind our      16 reports were not supposed to be analytical,      17 they were supposed to be simply raw data.      18           But we wanted to demonstrate to      19 the client the methodology that was being used      20 so that the client would understand how the      21 work was being done.      22      Q   Okay, but was there a      23 deliverable provided that detailed the social      24 media usage and networks of the subjects?      25      A   No, only the methodology</p>

29 (Pages 110 - 113)

<p style="text-align: right;">Page 114</p> <p>1 MICHAEL WALLER 2 deliverable that I just mentioned. 3 Q Just to close the loop, that 4 methodology report was delivered how and when 5 and to whom? 6 A It was delivered to Yvette Wang 7 by USB port and I was told, "This is all shit, 8 it's worthless. Don't bother with this." 9 Q And was this the delivery on 10 January of 26th? 11 A It was said on two occasion. 12 Q The delivery of the methodology 13 report with respect to social media research, 14 when was that made? 15 A It was either January 26th, I 16 think it was -- I think it was January 26th. 17 Q Was there more than one report 18 on social media methodology? 19 A No, but I don't remember if it 20 was on -- if it was delivered on that day or at 21 a nearby day, I just want to be careful about 22 the date. 23 Q And, in total, how many USB 24 drives did Strategic Vision deliver to Eastern 25 Profit?</p>	<p style="text-align: right;">Page 116</p> <p>1 MICHAEL WALLER 2 Q And the second USB that was all 3 code, does that relate to any of those three 4 subject matter areas? 5 A It related to all three. 6 Let me say it potentially 7 related to all three. 8 Q What do you mean by potentially? 9 A It was still encrypted code and 10 Ms. Wang and Mr. Guo were insistent that we 11 deliver it regardless. 12 I said it hasn't been decrypted 13 yet, and they essentially said we don't care, 14 we want it anyway. 15 We said it won't be of any use 16 to you until it's decrypted. So I went and 17 retrieved it anyway for them. 18 Q I am just going to show you a 19 document, I'm not going to mark it yet because 20 I think I know what the answer to this question 21 is going to be. 22 Do you see this document, it has 23 a color code key at the top of it? 24 A Yes. 25 Q What's the Bates label on the</p>
<p style="text-align: right;">Page 115</p> <p>1 MICHAEL WALLER 2 A Either two or three to Yvette 3 Wang. I think it was two, but it might have 4 been three. 5 Q So, one would be the social 6 media research methodology report you just 7 mentioned, correct? 8 A Yes. 9 Q And what was the nature of the 10 other USB deliverable? 11 A It was raw code. 12 Q When was that delivery made? 13 A On or about the 30th of January 14 2018. 15 Q And did the raw code relate 16 to -- 17 MS. CLINE: Sorry, let me strike 18 that. 19 Q Turn back to page 1 of the 20 contract, if you would. 21 You see that there are the three 22 indented bullets, financial, forensic 23 historical research, current tracking research 24 and social media research; do you see that? 25 A Yes.</p>	<p style="text-align: right;">Page 117</p> <p>1 MICHAEL WALLER 2 bottom of the page? 3 A SVUS 001939. 4 Q That's Ms. Wallop's document, is 5 that correct? 6 A Yes. 7 Q You are not here to testify 8 about that? 9 A Correct. 10 Q So turn back, if you would, to 11 the Strategic Vision's counterclaim. 12 And specifically page 31 13 paragraph 36? 14 A Yes. 15 Q All right, let's start with the 16 first sentence, says, "Strategic Vision's team 17 working in other countries also found troubling 18 breaches of security by Eastern Profit and Guo 19 that frustrated and prevented Strategic 20 Vision's performance." 21 Do you see that? 22 A Yes. 23 Q Which team is Strategic Vision 24 referring to there? 25 A Team 1.</p>

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<p style="text-align: right;">Page 122</p> <p>1           MICHAEL WALLER      2       A   These are my handwritten notes,      3 the first page was from the first time we met      4 Guo when I did not use a notebook, most if not      5 all of the remainder were from my notebooks.      6       Q   Just meaning page 1 was sort of      7 a looseleaf?      8       A   Yes, it was the back of a page      9 of something else.      10      Q   Okay, and then the rest of      11 Exhibit 106 is a bound notebook?      12      A   Yes, I believe they were from      13 two notebooks.      14           No, this is just one.      15      Q   What is your note taking      16 practice, generally speaking?      17      A   In some meetings I don't take      18 notes at all, because people won't be as open      19 or they don't want them taken, or you just want      20 to keep things confidential.      21           In these types of meetings I      22 take notes which is a combination of what's      23 being said, what -- so it's not quite minutes,      24 but it's virtually minutes of the meeting, to      25 memorialize what was said at the meeting.</p>	<p style="text-align: right;">Page 124</p> <p>1           MICHAEL WALLER      2 underlined follow-up 1/25.      3           This is notes from a meeting      4 with team leader one, Team 1 leader and about a      5 little below, halfway down the capital letter      6 says security flaws.      7           So we were told Guo and Yvette      8 Wang both said these slides were extremely      9 secret, never to reveal anything.      10       Team 1 found the exact slide of      11 number one already online on something that      12 Guo's network of people had already posted in      13 public.      14       Q   So just when you say the exact      15 slide of number 1, you are referring to one      16 page in a hard copy document that Eastern      17 Profit provided to Strategic Vision?      18       A   In a -- one page in an      19 electronic document that Eastern Profit      20 provided to Strategic Vision.      21       Q   Okay.      22       A   Okay, that was slide number one.      23           "Information on number 2 on the      24 confidential slide was found on the same      25 website as they found information on number 1."</p>
<p style="text-align: right;">Page 123</p> <p>1           MICHAEL WALLER      2           It also has brainstorming in      3 there and then own ideas that I develop or      4 notes that I make to myself about later      5 follow-up.      6           So it's -- you won't see a      7 consistent method to all the notes.      8       Q   So I think you referred a moment      9 ago to notes that you took when you're meeting      10 with Team 1, is that correct?      11      A   The Team 1 leader.      12           No, no, I said it's reflected in      13 my notes what Team 1 had said, but I didn't      14 take notes. I don't recall that I took notes      15 with Team 1 leader.      16           We will probably explore that as      17 you question me.      18       Q   And I'll ask you to do a little      19 work here, could you find the notes to which      20 you were just referring in this packet?      21      A   Okay, there is another set of      22 notes that I provided in discovery that I don't      23 see here, so if -- there is an off chance it      24 could be in there.      25           Okay. Page 1788, it's</p>	<p style="text-align: right;">Page 125</p> <p>1           MICHAEL WALLER      2           So there was a breach somewhere      3 there.      4           And then it says "Team," meaning      5 Team 1, "knows that others are doing searches."      6 This was searches on the exact same people at      7 the exact same time.      8           He said, "Big risk of getting      9 caught," which means the team felt that even      10 though they had taken all the measures they      11 had, this was going to compromise them.      12           "Team hesitated because they      13 found other" word illegible "into e-mails and      14 accounts and they feared getting caught      15 therefore need more security or risk lock down.      16           "And we can screw it up for the      17 other team," meaning another team that we would      18 either hire or Guo had said he had three or      19 four other teams, so we told them to be      20 cautious because we didn't want Team 1 to be      21 compromising anything that Guo might have had      22 with any other teams that he might have hired.      23           He never told us if he actually      24 did hire them.      25           So the same slide, "raises</p>

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<p style="text-align: right;">Page 126</p> <p>1 MICHAEL WALLER      2 alarms," so after "they", Team 1, "came to us      3 for guidance," and we go to M, which is Miles      4 Kwok or Wengui, "for guidance to provide it      5 back," so they were requesting guidance on      6 that.</p> <p>7 Q I was confused by your      8 testimony, did Mr. Guo ever represent to      9 Strategic Vision that he had hired other teams      10 to do similar research?</p> <p>11 A He said he had in the past, but      12 he said he had three or four other teams,      13 meaning at his disposal, but he didn't say one      14 way or another whether he had hired them at the      15 same time.</p> <p>16 Q So the only basis for the      17 allegation that there were other teams actively      18 researching the same targets is what you      19 learned from Team 1, isn't that correct?</p> <p>20 A Yes, so these were the people      21 actually doing the work, and they found someone      22 else out there is searching in the same      23 territory we were and we fear a security      24 breach.</p> <p>25 I believe I have other notes on</p>	<p style="text-align: right;">Page 128</p> <p>1 MICHAEL WALLER      2 A Yes.      3 Q What does called mean?      4 A That means the client had called      5 for a status report. It doesn't mean telephone      6 call.</p> <p>7 Q So meaning Eastern Profit had      8 called you?</p> <p>9 A No, Mr. Guo had contacted us      10 through Yvette Wang.</p> <p>11 Q Called for, meaning requested?</p> <p>12 A Yes. Ms. Wang contacted us to      13 get the latest status report.</p> <p>14 Q And what do you mean by all 30      15 pieces?</p> <p>16 A I would presume that meant a      17 reference to the fish. So it's 30 in the      18 contract.</p> <p>19 Q Please turn to the next page, if      20 you would.</p> <p>21 A By the way, right below that it      22 says, "We can't do a hard start each month."      23 That referred to the -- what      24 amounted to tortious interference of stopping      25 Team 1 by having the leader travel abroad and</p>
<p style="text-align: right;">Page 127</p> <p>1 MICHAEL WALLER      2 the other notebook which is not in this      3 exhibit.</p> <p>4 Q While we are on that page, there      5 is, sort of talking about page 1788, there is a      6 list of cities sort of on the right margin,      7 what do those represent?</p> <p>8 A Those are the codes where we      9 would say let's meet at a certain place,      10 because Mr. Guo insisted that all of the      11 exchanges of information be done in person by      12 USB drive and not online.</p> <p>13 So, I would send a text, see you      14 at 17, with I would mean see you in Zurich, so      15 that was our code key.</p> <p>16 Q But this particular conversation      17 that was on January 25th was it -- was by      18 phone?</p> <p>19 A No, it was in person.</p> <p>20 Q You see right under your      21 follow-up 1/25 there is an asterisk, do you see      22 that?</p> <p>23 A Um-hum.</p> <p>24 Q It says, "Called for a status      25 report on all 30 pieces?"</p>	<p style="text-align: right;">Page 129</p> <p>1 MICHAEL WALLER      2 then having me travel abroad to meet every few      3 days to exchange whatever partial data that      4 they were able to recover.</p> <p>5 So this was impeding their      6 efforts.</p> <p>7 Q So what were the terms of the      8 contract between you and Team 1?</p> <p>9 A Strategic Vision and Team 1?</p> <p>10 Q Sorry, Strategic Vision and Team      11 1.</p> <p>12 A That the contract was to do the      13 deep dive research on -- for the first month on      14 all 15 of the -- all the main 15 names listed      15 on that 89 page document and then from that      16 point on ten more names or ten names every      17 month, not 15.</p> <p>18 Q But what did the -- we saw an      19 invoice for \$200,000 earlier, do you recall      20 that?</p> <p>21 A Yes.</p> <p>22 Q And what was supposed to have      23 been accomplished for that \$200,000?</p> <p>24 A So that was the setup for the --      25 because we did not have, nor did we ever</p>

33 (Pages 126 - 129)

<p style="text-align: right;">Page 130</p> <p>1           MICHAEL WALLER      2 present the notion that we had an existing      3 office or set of offices for this, we would do      4 all our work setting out fresh teams, so there      5 is no continuity, and it avoids detection, so      6 we want to keep security for our clients.      7           In this case we would set up a      8 new team abroad, and that team needed new      9 computer equipment, so you want to make sure      10 there is no electronic ability to trace      11 anything that's being done, so you are buying      12 devices in cash in third countries to be      13 brought to another country where the team is      14 set up.      15           So it's all those start up      16 costs, related security costs, and then the      17 team members themselves.      18       Q   Did you -- did Strategic      19 Vision --      20       MS. CLINE: So strike that.      21       Q   When we looked at the research      22 agreement between Eastern Profit and Strategic      23 Vision there was a concept of deliverables,      24 right?      25       A   Yes.</p>	<p style="text-align: right;">Page 132</p> <p>1           MICHAEL WALLER      2 the names were either misspelled and sent the      3 researchers in the wrong direction, or they      4 might not have been real names of real people      5 in the first place.      6           So you have to sift all that out      7 in the beginning and then narrow down what does      8 the client want, that's why the whole thing      9 always required client guidance.      10      Q   And did Strategic Vision give      11 Team 1 any guidance regarding financial,      12 forensic historical research, current tracking      13 research or social media research?      14      A   Yes.      15      Q   Tell us about that, what kind of      16 guidance did Strategic Vision give Team 1?      17      A   So first the team has to      18 familiarize themselves with the subject matter,      19 that meant for them to go through all open      20 source material so they could learn everything      21 they could so they would know where to look and      22 where not to look; that's standard for any      23 research project.      24           And then they would go for what      25 was easiest to retrieve, figure out what's</p>
<p style="text-align: right;">Page 131</p> <p>1           MICHAEL WALLER      2       Q   When Strategic Vision turned      3 around and contracted with Team 1, did it      4 import any concept of deliverables into the      5 contract between Team 1 and Strategic Vision?      6       A   Simply give us the raw data that      7 you have when requested.      8       Q   Did you provide Team 1 with a      9 copy of the Eastern Profit research agreement?      10      A   No.      11      Q   How did Team 1 know what the      12 subject matters were, what the deliverable      13 format was supposed to be?      14           How did they know those things?      15      A   We just provided Team 1 with the      16 list.      17           That's all the client requested,      18 he just said find out everything you can on      19 this list of 15 names.      20           The problem, of course, was      21 there is so much data to find and how do you      22 narrow it down?      23           And some of the data is either      24 security or illegal to obtain, and some of it      25 doesn't exist, and as Team 1 found out, two of</p>	<p style="text-align: right;">Page 133</p> <p>1           MICHAEL WALLER      2 easiest to get and then bring that data back,      3 and that's going to be mainly open source      4 material.      5           And then to go into the more      6 difficult parts, but first you have to      7 establish what you can find, the most easiest      8 way, and then go for the tougher stuff later.      9           But it's an iterative process      10 and you are constantly going back to the client      11 for guidance.      12           And it takes a while to start      13 up.      14           Did the pricing that Strategic      15 Vision established with Team 1, was it related      16 in any way to the pricing in the contract      17 between Eastern Profit and Strategic Vision?      18      A   It was a flat rate pricing for      19 Team 1.      20      Q   But was that flat rate in any      21 way tied to the Eastern Profit contract?      22           MR. GREIM: Objection, vague.      23      A   I don't know what you mean by      24 tied.      25      Q   How did you come up with a flat</p>

<p style="text-align: right;">Page 142</p> <p>1           MICHAEL WALLER      2       Q   And then drop down to the next      3 sentence, it says, "The MSS has a role not only      4 in repressing domestic political dissent, but      5 also in monitoring and suppressing activities      6 overseas that are deemed to be subversive of      7 the Chinese Communist Party."      8       Do you see that?      9       A   Yes.      10      Q   What is the basis of Strategic      11 Vision's allegations there?      12      A   That is from that same previous      13 source that I just told you, Guo telling Gertz,      14 but it's also through my own work.      15       I got my doctorate in studying      16 communist secret police systems and studied the      17 Soviet system, of which the Chinese system is a      18 Sinofide copy, so I understand through my own      19 professional work on how precisely how these      20 systems work and also how fortunes are made by      21 people who get under the wing of certain of      22 their officials.      23       The MSS learned a lot from the      24 KGB.      25      Q   Drop down to paragraph 54, first</p>	<p style="text-align: right;">Page 144</p> <p>1           MICHAEL WALLER      2       Q   Guo told you personally?      3       A   Yes, because I was interested      4 in -- I had commented to him how I had worked      5 on the Soviet side of things and saw how Soviet      6 entrepreneurs made their money through the KGB,      7 and he said yeah, he said -- and then he      8 described how he built the Pengzhou Plaza      9 Hotel and how he blackmailed the vice mayor      10 of -- or extorted the vice mayor of Beijing by      11 having surreptitious sex videos made of him in      12 order to advance a property acquisition that      13 Guo had wanted or to recover property that the      14 Party had taken away from him.      15      Q   Just move to the last sentence      16 of paragraph 54, "Guo was able to use his      17 connection with Ma and the MSS against Guo's      18 business arrivals in Cline?"      19      A   Yes.      20      Q   "While the MSS was able to use      21 Guo's business empire against its own targets      22 in China?"      23      A   Yes.      24      Q   Same question, what's the basis      25 for that allegation.</p>
<p style="text-align: right;">Page 143</p> <p>1           MICHAEL WALLER      2 sentence, "On information and belief 'Guo was a      3 long time employee of Vice Minister Ma Jian.'"      4       Do you see that?      5       A   Yes.      6       Q   First of all, do you know why      7 Strategic Vision has that part of that sentence      8 in quotes there?      9       A   If it was in quotes it would      10 have been quoted from a public source.      11      Q   Do you know what the public      12 source is you are relying on there?      13      A   Probably the footnote was pulled      14 out, but I am surmising that it's also from      15 that same July 2017 Gertz article based on the      16 Guo interview.      17      Q   Okay, next sentence, "On      18 information and belief, Guo paid MSS officials      19 and bought surveillance equipment for the MSS      20 in exchange for favors."      21       What is Strategic Vision's basis      22 for that allegation?      23      A   Guo told that to Bill Gertz in      24 some of Gertz's writings and he told me      25 personally on November 21st, 2017.</p>	<p style="text-align: right;">Page 145</p> <p>1           MICHAEL WALLER      2       A   Same answer, Guo told Bill Gertz      3 who reported on it and Guo told me in at least      4 two discussions and then it was out there in      5 other open source journalistic accounts.      6       Q   So, did you have nonpublic      7 conversations with Mr. Gertz regarding Mr. Guo?      8       A   Only in the beginning when he      9 arranged for us to -- arranged for Strategic      10 Vision to do work for Mr. Guo.      11      Q   Okay, did any of your      12 conversations, private conversations with      13 Mr. Gertz form the basis for the allegations in      14 Strategic Vision's counterclaim?      15      A   No.      16       Bill Gertz and I both understand      17 that a lot of people can do really terrible      18 things, and then they see the light and then      19 they convert to the right cause.      20       As a dissident, for example, as      21 an opponent of the Communist Party, and you can      22 forgive the guy and work with the guy because      23 now you have a similar cause.      24       So he's using his contacts and      25 methodology against the Chinese regime, so we</p>

<p style="text-align: right;">Page 186</p> <p>1                   <b>CERTIFICATE</b></p> <p>2                   I, the undersigned, a Certified 3 Shorthand Reporter of the State of New 4 York, do hereby certify:</p> <p>5                   That the foregoing proceedings were 6 taken before me at the time and place 7 herein set forth; that any witnesses in 8 the foregoing proceedings, prior to 9 testifying, were duly sworn; that a record 10 of the proceedings was made by me using 11 machine shorthand which was thereafter 12 transcribed under my direction;</p> <p>13                  That the foregoing transcript is a 14 true record of the testimony given.</p> <p>15                  Further, that if the foregoing 16 pertains to the original transcript of a 17 deposition in a federal case before 18 completion of the proceedings, review of 19 the transcript [x] was [ ] was not 20 requested.</p> <p>21                  I further certify I am neither 22 financially interested in the action nor a 23 relative or employee of any attorney or 24 party to this action.</p> <p>25                  IN WITNESS WHEREOF, I have this date subscribed my name. Dated: 12/4/19</p> <p style="text-align: center;"></p> <p>Stephen J. Moore RPR, CRR</p>	<p style="text-align: right;">Page 188</p> <p>1                   <b>DEPOSITION ERRATA SHEET</b> 2 Case Name: EASTERN v. STRATEGIC. 3 Name of Witness: MICHAEL WALLER 4 Date of Deposition: November 19, 5 2019 6 Reason Codes: 1. To clarify the 7 record. 8 2. To conform to the facts. 9 3. To correct transcription errors.</p> <p>10 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>11 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>12 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>13 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>14 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>15 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>16 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>17 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>18 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>19 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>20 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>21 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>22 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>23 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>24 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>25</p>
<p style="text-align: right;">Page 187</p> <p>1 2                  <b>DECLARATION UNDER PENALTY OF PERJURY</b></p> <p>3                  Case Name: EASTERN v. STRATEGIC</p> <p>4                  Date of Deposition: November 19,</p> <p>5                  2019</p> <p>6 7                  I, MICHAEL WALLER, hereby certify 8                  Under penalty of perjury under the 9                  laws of the State of New York that the 10                 foregoing is true and correct.</p> <p>11                 Executed this _____ day of 12                 _____, 2019, at 13                 _____.</p> <p>14 15 16 17 18                 MICHAEL WALLER</p> <p>19 20 21 22 23 24 25</p>	<p style="text-align: right;">Page 189</p> <p>1 2                  <b>DEPOSITION ERRATA SHEET</b> 3 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>4 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>5 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>6 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>7 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>8 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>9 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>10 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>11 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>12 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>13 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>14 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>15 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>16 Page _____ Line _____ Reason _____ From _____ to _____</p> <p>17                 Subject to the above 18                 changes, I certify that the transcript is 19                 true and correct 20                 No changes have been 21                 made. I certify that the transcript is 22                 true and correct.</p> <p>23 24 25                 MICHAEL WALLER</p>